



Assemblyman 130th Assembly District

JOSEPH A. ERRIGO

Date:
September 8, 2003

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Richard Larson
Executive Director
CARES Commission
Department of Veterans Affairs
810 Vermont Ave., NW
Washington, DC 20420

Dear Mr. Larson:

I would like to thank you and Chairman Alvarez for inviting me to appear before the Commission for a public hearing on September 19, 2003. I appreciate the opportunity to discuss the CARES Commission proposal and National Plan.

As per your request, I have enclosed a copy of the written portion of my testimony. Contained within are the points I intend to highlight at the public hearing.

This is a complex decision and I am encouraged to see the CARES Commission continuing their exploration of the issue. Many factors influence a decision like this one and each must be thoroughly considered before a final conclusion is reached.

I hope that my testimony will aid the Commission in making their recommendations to the Secretary of Veterans Affairs. Thank you again for extending this invitation. Please contact me with any questions or concerns.

Sincerely,

A handwritten signature in black ink, reading "Joseph A. Errigo". The signature is fluid and cursive, with the first name "Joseph" being the most prominent.

Joseph A. Errigo
Member of Assembly



JOSEPH A. ERRIGO
Assemblyman 130th District

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Rochester and its surrounding areas have one of the largest veteran populations in New York state and the nation. The nearest VA facility for Rochester and the Finger Lakes Region is the one located in Canandaigua. Improvements to the existing VA healthcare structure should be about increasing access to vitally needed services. The proposed plan does not achieve this, rather, the closure of this facility would result in veterans who rely on its services to travel a minimum of 45 miles to receive care. Veterans from World War II, Korea and Vietnam still need these services. The possibility that this facility may not be needed in 2022 does not decrease the significance of the role it plays today.

While the aim of the CARES Commission is admirable and its findings in-depth, they are hardly concrete. No one can accurately predict what will happen tomorrow, much less twenty



years from now. If there is one thing that has been proven in the past by the Veterans Health Network, it is that the implementation of any plan, no matter how well-planned or well-intentioned, takes time to be fully realized. Complications in any system arise day to day, much less decade to decade. From the beginning of the CARES Commission's own report, reservations are expressed about the findings in the study, the conclusions drawn from the data and the subsequent changes that could be seen in the national healthcare market.

In Chapter 4 of the National CARES Plan, paragraph one under the heading *Outpatient Access Investment Strategy*, is an illustration of this point: "Increases in new access points historically have generated new users to the VHA health care system beyond forecasted utilization. This new demand for care . . . could increase acute inpatient needs before a systematic infrastructure improvement process is in place to ensure that the expected new demand can be met . . . the financial requirements for construction or leases of new access sites, as well as for additional operating funds, would compete with the funding requirements for delivering health care services to current and projected veteran enrollees." From the onset, this report contains not only an unclear picture of what the future

contains, but in this case, an ominous prediction of existing services being effected by the increase in demand.

Chapter 4 also deals directly with the elimination of inpatient services, a central issue in the closing of the Canandaigua VA. The section entitled *Inpatient Access Investment Strategy* states: "Improvements in inpatient access were considered more critical than improvements in outpatient access, since an acute inpatient episode of care presents a daily burden to a veteran's support system." I fail to see how the elimination of 200 inpatient beds at the Canandaigua facility would improve access for inpatients in that area.

The Canandaigua VA Hospital also serves over 16,000 veterans through outpatient services every year. Chapter 5 of the National CARES Plan deals with the increasing demand for quality outpatient services at a location that is easily accessible: Chp. 5, pg. 1 paragraph 4, VA workload statistics saw an "increase in outpatient visits of 54 percent. Moreover, at the end of the period, VA was treating over 1.5 million more veterans each year than it did at the beginning. Many patients also benefited by receiving care in a more convenient setting closer to their homes."

Inpatients often rely on their VA facility as their daily support network. Some because of the proximity to their community, but many because of the specialized care provided to veterans. Chapter 7 deals with the level of care that is received at hospitals accustomed to dealing with these types of needs. *Traditional Role, Substantial Responsibility in Special Disabilities*, paragraph 1: " . . . the VA system has traditionally had a distinctive role in addressing the needs of veterans with special disabilities. In part because many of these special disabilities were incurred in wartime and in part because the intensive levels of care involved are often difficult for veterans to obtain elsewhere, VA has acquired substantial responsibility in this health care arena."

Chapter 9 of the National CARES plan explores the issue of proximity, an important one in the consideration of services available to our veterans. Appendix G corresponds to 32 Proximity Planning Initiatives identified for review. As the elimination of the Canandaigua facility would result in considerable increases in travel time, no mention of the Canandaigua VA hospital in this section is somewhat alarming.

Chapter 12 deals with another central issue of this plan, the reduction of vacant space. The National CARES plan was prompted by the findings of other reports, one of which was the GAO Report entitled "VHA Health Care Improvements Needed in Capital Asset Planning and Budgeting" from 1999. However, the cost-savings projected by the GAO are not based upon the current situation within the VA network: "The cost savings cited by GAO are based upon total closure of facilities and not the reduction of vacant space that is dispersed throughout numerous campuses within individual buildings, which is our current condition." How can the CARES Commission act under the advisement of an office that hasn't accurately portrayed the needs and possibilities of the system under study?

Chapter 15 of the National CARES Plan deals with other areas the VA excels in besides care. ". . . VHA has three other statutory missions - medical education, research, and serving in a contingency backup role to the Department of Defense, coupled with supporting Homeland Security." Pg1 paragraph 1.

If there is one thing we have learned in our quest to ensure our safety, it is that we cannot foresee catastrophic events such as 9/11. This statement highlights the need for these facilities not only as veteran treatment facilities, but

as centers capable of treating mass civilian casualties after catastrophe. The war being waged against us is one against our citizens. VA facilities are better equipped to serve the public in this type of event.

Each VA network facility is unique. The CARES Commission realized this and allowed for each VISN to play a role in forecasting the future. However, the varying nature of the facilities resulted in rigid categories that did not allow for accurate calculations. Coupled with the uncertain nature of the private healthcare market, the findings were skewed in a manner that did not accurately portray the needs and costs of each hospital. Chp 18 pg 7 paragraph 2 "While in many cases VISNs were able to develop cost estimates of the factors described above that would make one alternative more costly than another and incorporate them into their decision making, many times these factors were difficult to estimate. Factors such as the availability of contract services in a community were difficult to quantify . . ."

The assumptions of the CARES Commission are inaccurate by their own admission. Chapter 20 deals with the limitations of the study. "Workload demand assumptions data cannot be altered." Once again, we cannot foresee catastrophic events

that will effect the citizenry. How can a study be effective if the ever-changing nature of the data is not considered? "Market Plans are developed without budget limitations on the total amount of operational or capital investment dollars the VA is able to support today or in the future." I have worked for many years in both government and the private sector, and I have never seen a successful plan implemented without realistic budget limitations. No group, and certainly no government entity, has the luxury of operating without concern for available resources. The support of tax dollars cannot be banked on, and the support of this project by future administrations is always in question. This is not a plan that is limited to the Bush administration, it is one that will need sustained support from consecutive presidents in order to be successful. The facts left out of consideration are too numerous for the conclusions of this study to be implemented. "Market plans are developed without full knowledge of the ability to obtain the appropriate staffing levels and mix . . . Market plans are developed without full knowledge of the ability to obtain services in the community . . ." These are integral factors that must be considered when undertaking changes of this magnitude. This plan assumes that needed services will be available at other facilities, but if those facilities are not

properly staffed then veterans may end up traveling outside their VISN to receive care.

The Cost Calculations used in the plan are also skewed. The Contract Cost (App k, pg7) calculations ". . . may result in higher or lower costs than expected at the facility . . . this may result in higher or lower costs than expected at the facility, so the VISN was encouraged to alter these costs as appropriate using the Cost/Savings/Profit input page . . . Due to the short timeframe many VISNs may not have utilized this input page to its full intent."

While the CARES Commission report projects that overall veteran populations will decrease, the "projected demand for care increases significantly for two CARES categories." One of these categories is specialty care which includes psychiatric treatment. The psychiatric care at the Canandaigua VA is not only of high quality, but also is provided at a cost almost \$200 per person less than that provided at Buffalo. As demand for this service increases, does it really make sense to close one of the facilities which delivers the finest care?

Are we willing to damage care to our veterans based on the assumptions of twenty year projections? The CARES Commission report acknowledges that "the . . . projections used in the

CARES process in general were subject to several limitations. Some of the advantage of the . . . forecasting model would be lost, since the VA workload data may be subject to supply constraints. In addition, internal variables, such as VA-specific factors like public policy decisions and the vision of the administration at any one time, may affect the planning assumptions used in the model."

In fact, the CARES Commission could not forecast the possibility of the future for psychiatric care, one of the specialties at Canandaigua. "In the areas of Mental Health . . . a number of consultations, discussions, and on-going investigation of the general CARES model did not lead to an alternative methodology to project needs . . ." With no plan on how to continue this specialized care, what are our veterans who need this service supposed to do? This situation appears similar to prior healthcare decision that closed mental health institutions and filled our streets with the mentally ill and the homeless. We witness the aftereffects of this failed agenda today, as vacant facilities remain abandoned creating further problems. It is not unreasonable to believe that the same impact would be felt from the closure of VA hospitals.

Perhaps this is best viewed from the perspective of the CARES Commission itself. The commission's report includes a section devoted to Community Impact. It states: "the . . . solutions proposed . . . will have a positive impact on the community, especially the solutions for expanded and more accessible primary, specialty and mental health care. The solutions will improve veteran satisfaction, offer opportunities for more employment . . . revitalize community financial environments, improve continuity of services, and enhance community relations." The proposed closure of the Canandaigua VA hospital fails to meet the CARES Commission's own guidelines on community impact. This plan will not make care more accessible, it will decrease accessibility and cause increased travel time and expenditures. This plan certainly doesn't improve veteran satisfaction. I have yet to meet anyone in the surrounding area who is pleased with this proposal. Nor will this plan revitalize Canandaigua's financial community, rather, it will cripple its economic base by removing the second largest employer from that community. In the end, does all this improve community relations? I think not.

Possibilities based on incomplete projections cannot cause us to overlook the needs of today's veterans. The CARES Commission's aim is improve access and quality while optimizing

the facility's relationship with the community of which it is part. This is achieved through continuing the operation of this facility, not through its closure.



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September 9, 2003

Chairman Everett Alvarez
C.A.R.E.S. Commission
Department of Veterans Affairs (00CARES)
810 Vermont Ave.
NW Washington, DC 20420

Dear Chairman Alvarez:

Today I am asking you and the CARES Commission to change the recommendation to eliminate inpatient services at the Canandaigua VAMC.

There are many reasons to justify this change. You have heard from our community loud and strong that any reduction of available services to our veterans and their families is a national disservice and desertion of our commitment to take those who have sacrificed for us. When our country calls the men and women of our nation to duty they are not caveats to their service. If necessary these soldiers may die, they may be injured or they become disabled while protecting the freedom we so richly enjoy in the United States of America. At no time does our government say, "that service is predicated on the fact that we will decide if we can economically and conveniently take care of you." That would be a moral outrage to do so, as it is a moral outrage to suggest so.

With this in mind I will recite many examples that illustrate that the draft proposal is flawed. There are many questions and not enough legitimate answers which clearly suggests that the choice made to reduce services at the Canandaigua VAMC is the wrong one.

- 1) Why would the CARES Commission recommend the elimination of services at the Canandaigua VAMC when according to the Joint Commission Accreditation of Health Care Organizations this facility was rated higher than the VISN 2 Network and the National system in every major category?
- 2) Why would the CARES Commission recommend the elimination of services at the Canandaigua VAMC when it is ranked #1 in customer service for the five major facilities in the VISN 2 Network?
- 3) Why would the CARES Commission recommend the elimination of services at the Canandaigua VAMC when this facility has a lower cost per patient ratio compared to other VISN 2 facilities?

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- 4) Why would the CARES Commission recommend a new thirty bed spinal cord injury disorder unit to be built in Syracuse, when there is more than ample space to build in Canandaigua and enhance the Canandaigua facility?
- 5) How can the CARES Commission justify the reduction of services at the Canandaigua VAMC based on capital costs and saving calculations, when the Commission acknowledges that the costs and savings will not be fully developed until implementation?
- 6) Why would the CARES Commission call for reducing services at the Canandaigua VAMC when it says that this facility has the potential for enhanced use in its own report?
- 7) How could the CARES Commission justify the closure of the Canandaigua campus when the actual savings projected due to campus changes will not be assessed in detail until the actual CARES implementation process?
- 8) Why would the CARES Commission recommend the reduction of services at the Canandaigua VAMC when it clearly delivers specialty services and capabilities, that are not existent at other campuses, such as Alzheimer's and therapeutic facilities?
- 9) Why would the CARES Commission recommend the reduction of services of the Canandaigua VAMC when the CARES Veteran demographic analysis shows that the enrollment decline by 2012 is significantly lower than other VAMC's?
- 10) Why does the CARES draft proposal not address the impact of relocation on Canandaigua VAMC patients health and well being?

Due to the time restriction, I am limited in my ability to go into depth on all of these issues. One thing is clear that the recommendation to reduce services at the Canandaigua VAMC is based on incomplete, inaccurate, and jaded information. There are many facilities in this country that deserve to be severely altered and there are many communities that do support the CARES recommendations. The Canandaigua facility is not one of those examples.

I believe that there is no other choice for this Commission but to change the recommendation to reduce services at the Canandaigua VAMC. I believe in fact that there is plenty of evidence existing and to be presented that will justify the expansion of services at the Canandaigua VAMC.

I would like to leave you with a quote to think about,

"The willingness with which our young people are likely to serve in any war, no matter how justified shall be directly proportional to how they perceive the Veterans of earlier conflicts were treated and appreciated by their nation."

--- George Washington

MICHAEL F. NOZZOLIO
SENATOR, 54TH DISTRICT

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Senator Michael F. Nozzolio

Testimony for VA Hospital Hearing, Mon. Oct. 20, 2003

On behalf of the constituents of the 54th Senate District...the thousands of veterans who support the VA...and the hundreds of dedicated professional medical personnel providing world-class medical treatment...this testimony today is to express my strong and vehement opposition to the closure of the Canandaigua VA Medical Center.

Currently, the VA Medical Center provides care for approximately 200 severely ill veterans who are hospitalized at this facility. In addition, it administers medical services for nearly 15,000 area veterans, including nearly 800 veterans who come to Canandaigua to receive treatment for serious illness.

Clearly, this facility is a vital part of the Finger Lakes region, serving thousands of veterans and their families for many generations.

Now more than ever, when many of our nation's young men and women have once again been called into service, fighting to protect democracy at home and abroad, it is vital that our brave and honorable service men and women continue to have ready access to essential medical services here.

Closure of this facility would be a grave disservice to these heroes, many of whom are elderly and live on limited incomes. The added travel expense and inconvenience for these individuals would place an undue burden on them and their families. They could also face a delay in treatment due to the increased demand on existing VA facilities.

In addition to the toll on our veterans, this closure would also threaten the livelihood of the nearly 800 VA Medical Center employees and their families. With an annual budget of about \$49 million, this plan would have a negative fiscal effect that could cripple our regional economy for years.

What kind of message does this proposal send to the thousands of local men and women who are currently serving in Afghanistan and Iraq as well as other areas around the world? How can we ask them to be willing to lay down their lives abroad if they cannot count on us to provide them with the services they have earned and are entitled to when they return?

Closing the doors of the Canandaigua VA would be a cruel insult to our veterans of yesterday and tomorrow!

No nation in the history of the world has ever done more or given more in the defense of world freedom than the United States and her citizens. And for that, we are grateful to all of those who were willing to serve their country and make the ultimate sacrifice.

Our veterans are America's greatest heroes, heroes who fought bravely to help ensure that every individual remained free from tyranny and oppression, and can enjoy the freedoms that we as Americans, so often take for granted.

Our veterans have made immeasurable sacrifices so that we and future generations could live freely.

It is unfortunate that as our nation recently observed the 58th anniversary of the Japanese surrender aboard the USS Missouri, the official end of World War II, we are faced with the possibility of the Canandaigua VA Medical Center closing.

When our area men and women returned from combat in World War II, the Korean War, Vietnam and the Gulf War, many required medical and psychological treatment that could only be provided through the personal care and attention of the Canandaigua VA Medical Center.

I pledge my strong commitment to work with our Congressional delegation, state leaders and local officials to ensure the hospital's viability in our region for years to come.

I implore this panel to recognize the negative health and economic consequences that this shortsighted and irresponsible proposal would have on the Finger Lakes region's most valued citizens.

It is my hope that the U.S. Department of Veterans Affairs will reevaluate this proposal and recognize the need to continue to operate the Canandaigua VA Medical Center.

ASSEMBLYMAN OAKS' COMMENTS FOR HEARING ON SEPTEMBER 19, 2003.

I join with my fellow area Assembly members and Senators, as well as members from our Congressional delegation to adamantly request that the VA CARES Commission rethink their proposal to close the Canandaigua VA hospital.

Never in my time, covering more than two decades of service as an elected official, have I seen such an outpouring of community concern over a government proposal and never have I seen such seeming unanimity among those I represent to oppose this plan.

For instance, in August, we took the petition to oppose the closure to the Wayne County Fair. It is typically hard to get people to stop by a booth as they are strolling by the displays, but once they heard that the petition was to help stop the proposal to close the Canandaigua VA hospital, over 900 people enthusiastically signed the petition and offered their help and support.

I don't represent Canandaigua or the area where the hospital is located but I do represent nearly 130,000 neighbors and this proposal would affect many of them.

Why were the people who signed the petitions and so many others deeply concerned about the future of the Canandaigua VA hospital? It is because of their historically high quality of services received, the accessibility of these services and the regional Veterans who depend on these services.

I don't pretend to know the internal workings of the VA and whether you need to restructure your services throughout the country. I do know, however, that whatever restructuring of services is required, the Canandaigua VA hospital campus needs to be and deserves to be an important part of the VA's future effort to improve and enhance their quality of services to our most-deserving Veterans, who have served their country and each one of us so well.